MINDY DIAMOND ON INDEPENDENCE
A PODCAST FOR FINANCIAL ADVISORS

EPISODE TRANSCRIPT

Finding Independence in a Big Firm: Top UBS Team on Their Shift to Wells Fargo Advisors

A conversation with Vincent Finney, Managing Director – Investments and Joseph P. Panfil, Managing Director – Investments Bibler, Finney, Panfil Private Wealth Management Group of Wells Fargo Advisors

Mindy Diamond:

Welcome to the latest episode of our podcast series for financial advisors. Today's episode is, Finding Independence in a Big Firm, Top UBS Team on Their Shift to Wells Fargo Advisors. It's a conversation with Vince Finney and Joseph Panfil, managing directors of investments at Bibler Finney Panfil Private Wealth Management Group of Wells Fargo Advisors. I'm Mindy Diamond, and this is Mindy Diamond on Independence.

Mindy Diamond:

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Mindy Diamond:

This is yet another milestone for our podcast series, Mindy Diamond on Independence. One that demonstrates how much the landscape is truly evolving because the original intent of the show was to focus on the independent space, highlighting the different ways that prospective breakaway advisor could satisfy their entrepreneurial spirit. But then we realized something, achieving greater freedom and control isn't limited to independent models. Not everyone wants to be a business owner. It's more about the ability for advisors to find greater freedom in serving their customers and growing their businesses, regardless of model they choose. There were plenty of advisors for whom big firms offer exactly what they're looking for, the scaffolding and turnkey access to serve their clients and grow their businesses. For example, partners Ryan Bibler, Vince Finney and Joe Panfil of the Bibler Finney Panfil Private Wealth Management Group in Westerville, Ohio left UBS in 2018 for Wells Fargo Advisors.

Mindy Diamond:

So aside from the fact that they are a stellar team of young advisors who built a strong practice with some $800 million in assets under management, there is something that is truly noteworthy about this episode. They are not breakaways who left to launch their own independent entity free of the typical constraints around communication. It's instead a candid conversation with a team who are employees of Wells Fargo Advisors. So the sheer fact that Wells has allowed them to participate speaks volumes about how the world has changed and how Wells thinks about guiding advisor behavior. And even more so, about how Wells is working to differentiate itself. Looking beyond the bureaucracy that often limits big firms from share incredible success stories like this. So today I welcome two of the teams managing

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partners, Vince and Joe, to learn about why this young group would leave one big firm for another, what else they looked at and why they didn't choose independence.

Mindy Diamond:

What their transition process was like, what they see is the benefits and obstacles of building a practice at such a young age and advice for other advisors who are considering change. But before we go there, it's important to share the following disclaimer on behalf of Wells Fargo Advisors, investment and insurance product are not insured by the FDIC or any federal government agency. Are not a deposit or other obligation of, or guaranteed by the bank or any bank affiliate and are subject to investment risks, including possible loss of the principal amount invested. That said, let's get to it. I am so grateful you're making the time for me today. I can't wait to hear your story.

Vince Finney:

Thank you, Mindy. It's a pleasure to be here with you. Joe and I are very excited to spend some time with you, talk a little bit about our practice and Wells Fargo Advisors.

Mindy Diamond:

Terrific. Let's jump in. Lots of talk about. So let's start at the beginning. Tell us a little bit about yourself. Let's start you, Vince, and what led you to where you are today and then we'll go to you, Joe.

Vince Finney:

Sure, Mindy. So Joe, myself and Ryan all actually started in the industry directly out of college. We didn't have any family members in the business. We didn't have any relatives with a bunch of money to help us get started. So really we just had to start the old fashioned way, cold calling. And as you know, getting started in this industry can be a real bear. It's got an extremely high fail out rate in the first couple of years. And so we all started together at Merrill Lynch. Ryan was the first one to join the firm back in 2000, 2001 timeframe. I joined in 2003. And then Ryan and I partnered up in 2004 to start working together. We were both kind of going after the same type of clientele, the same type of business.

Vince Finney:

And so our manager thought it'd be a great idea for he and I to partner up. So we did that starting in 2004. As the business continued to evolve and build, we decided we needed to add someone else to help us with the practice. So we had added Joe in 2007. So Joe, Ryan and myself have really been partners since 2007. And like I said earlier, all started right out of college. Didn't have any backing, we weren't on a team. So we decided to kind of create our own team. And that's what we've done ever since. It's been us three as partners, just continuing to build the practice and continuing to grow each year.

Mindy Diamond:

Amazing. And how about you, Joe?

Joe Panfil:

To echo Vince's thoughts, first off, thank you, again, Mindy for having us on the podcast and for all the hard work that you and your team put into making it a good one and for us telling our story. To answer your question, though, Ryan, Vince, myself, we all have our own unique personalities and styles and areas of expertise, but generally speaking, we're all very similar in the sense that we've always enjoyed investing in the markets and we're planners by nature. We enjoy marketing our business, running the business, consulting and helping others. And this really is a perfect profession for those wanting to apply a very broad skillset. To echo Vince, we all started right out of college. We cold called individuals with money in motion, usually individuals that were employees of companies that had gone through a change in ownership.

Joe Panfil:

So we led with financial planning, but these people also had a need. They needed someone to help them consolidate their assets and give them a roadmap with changing over benefits. Whether it was lump sum pension or 401(k), whatever it might be. And then we eventually started cold calling executives because obviously they have a very wide array of benefits that they need help with coordinating as well. So again, leading with financial planning, complimentary financial planning really helped us build trusting relationships, led to a lot of referrals and we really tirelessly. Worked really long hours getting to know the benefits plans of these companies and it really helped us provide better advice in the end and really helped us grow.

Mindy Diamond:

There's so much to unpack there. And we're going to talk a little bit about how young guys started in this business and built the extraordinary business you did today. But for perspective, let me just ask a couple of questions. So Vince, tell us about the rest of the team that supports you, Ryan and Joe.

Vince Finney:

That's a really good segue there. So thinking about our team and how we've constructed it, as I mentioned earlier, Joe, myself and Ryan, three equal partners and very equal in age as well, which I think is kind of unique. There's not one senior partner that's 20 years older and a bunch of younger folks behind him. So Ryan's 44, I'm 42 and Joe just turned 38. So as Joe mentioned, starting out young in the industry, young in the business, it's hard to get started. Fortunately, we did a very good job at building up this business. As we sit here today, we have us three, as well as three full-time support staff that have done a phenomenal job taking care of our client service needs.

Vince Finney:

And then in addition, we also have two other support staff members that were previously financial advisors that are kind of later in their careers. And right now collectively the three of us manage right at $800 million in assets under management for about 500 families. Last year we did just under $7 million in revenue. And so our goal is just to continue to grow the business and continue to evolve. And ultimately here over the next few years would like to get the 10 million in revenue and a billion in assets is really what we're shooting for right now.

Mindy Diamond:

So clearly you've built a great business. What about your investment philosophy? How do you guys manage money?

Vince Finney:

The way that we manage money or the way we think about the business is most teams these days run kind of a fee based practice or a fee based style of management. And that's exactly how we're set up where 90% of our business is fee based. The other 10%, however, I think really, I don't want to say sets us apart, but it is a driver in bringing on new accounts and really offering a broader swath of investments to our clients. So the other 10% could be alternatives, hedge funds, annuities, those types of things. But Joe, myself and Ryan are all portfolio managers. So instead of outsourcing the investment management, we've brought that in house. So we use Wells' proprietary software to trade our platforms and we'd have different models. We have five models on the taxable side, five models on the IRA, and then kind of augment that with individual stock portfolios that we utilize Wells Fargo Advisors research on; dividend stocks, growth stocks, small and mid-cap.

Vince Finney:

So it's really our own investment style. We're not farming out a lot of the money management like some folks do. And I think that really brings us closer to our clients because they understand we're the ones making the day to day decisions. Obviously utilizing a plethora of different research, but we're the ones that are ultimately managing the money. So if they have a question, they come directly to us as opposed to us going out and talking to other money, a manager about how our client's money is doing. I think it really makes that relationship much more sticky and they feel like we're the ones that are really in control.

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Joe Panfil:

That's a great point actually, when a top executive retires and they have a lot of money come into the practice, whether it's from a lump sum pension or a 401(k) rollover or stock options they had exercised, they like knowing that they don't just in the check and then it automatically gets invested by some program or some firm. They know that they're talking with us, we're pushing the button and getting things rebalanced or dollar cost average into the market exactly to their comfort level.

Mindy Diamond:

So let's pick up on that a little. I'm struck by how young all of you are in this business and young in age. I mean, Joe not yet 40 and Ryan and Vince a little bit over 40. So obviously it means you've got a long runway, but it also means that 20 years ago when you started in the business, you were essentially kids. So let me start there. How hard was it? What were the challenges and how did you overcome those challenges in beginning to build what is a pretty spectacular business today?

Joe Panfil:

Our age was definitely an obstacle at first. We had to really go above and beyond whether it was, again, getting designations. We have a certified financial planner, a CMA, a CRPC on the group. Learning the business inside and out, learning these benefits plans inside and out, we knew we had to outwork everyone. But once we were able to show prospects and clients that we were truly able to add value, it really became a benefit to us. Our age went from our biggest weakness to our biggest strength. We're late thirties to early forties. We're very established, but we have a really long runway in front of us. I think that's really appealing to clients that are looking at retiring within the next few years. They like knowing that we're going to be able to see them through most of their retirement and potentially even help transition money to the next generation. So retiring with someone who's twice our age or straight at a college with no experience hasn't... I don't know that that would be as appealing.

Mindy Diamond:

So I relate because as you indicated, my son Louis and I had the privilege and honor of guiding you in the exploration process to ultimately wind up at Wells. And as you know, Louis is my next generation. And when he started in this business young. And what I always said to him was, "Young and youth in your age has nothing to do with it. All it means is you've got to just work that much harder to prove you are worthy of someone's time and attention." And it just means that for however young you are, you just need to be the smartest person in the room. And it sounds like that was exactly what you did.

Joe Panfil:

Right. And real quick, Mindy, Louis, he knew his stuff inside and out. He was fantastic throughout the entire process start to finish. So well done.

Mindy Diamond:

Well, thank you. I agree and I appreciate the kind words. So let me ask you a question then, and either Vince or Joe, either one of you. So I'm wondering, to go from essentially zero to now 800 million under management in around 20 years, what were the most impactful things that fueled your growth, that really built the business to cross the $3 million mark in revenue and then cross the $5 million mark?

Vince Finney:

I think really two or three different things come to mind, Mindy, when we think about how we've grown the business and what has led to our success so far. And I think one, we haven't really hit on this yet is our process. So we have a process for almost everything involving our practice, whether it's bringing on a new client, investing the money for the client, when a client passes, when they have a wedding, when they have a divorce. We have processes for everything built out. And as you're scaling a business and this, owning your own business, as you're scaling a business, if you don't have processes in place and people don't know what their defined roles are, it's going to be so much harder to grow your business. So what we found is by having a process in, for each of these steps along the way, every time we sit down with a client, it's not something different.

Vince Finney:

I can't tell you how many advisors, every time they're sitting down, it's a different investment pitch or it's a different... They have no way of organizing their business. So as we've been able to continue to scale and go upstream with our business, it's just so easy for us because we don't have to think about what we're going to do. We meet with the client, we know exactly the next step and the prospect or the client knows the next step. So that's been huge in organizing our business and continuing to grow. The other thing is we have been very fortunate to have come across several advisors that were later in their careers and gave us the opportunity to compete for their business in terms of buying their clientele out. And that's been really integral to our growth. So we have a process for that as well.

Vince Finney:

If an advisor in their sixties approached us today, Joe, we call him Joey details because he is very organized. He has a, we'll call it a pitch book or lack of better words where we could sit down this afternoon with a retiring advisor and they would know immediately exactly what we were going to do with their business the first 90 days. So we have a process in place where we could just show them exactly how we're going to take over their practice and help mold their clients into ours. And that has just been a relief for a lot of advisors that are retiring as well as us. Just have that process in place. If we're ever approached by someone that is looking to sell their business, we don't have to go think about what we're going to do. We could lay that out. And the retiring advisor sees that confidence and they know we've done it before. And that just adds a whole level of comfort for them handing over their clients that they've worked with for 20, 30, 40 years.

Mindy Diamond:

So I'm going to want to come back to that, the notion of being the next gen inheritors for senior advisors, because that's a real trend in the industry. But let me just back up for a minute and let's talk a little bit about your time at UBS, which was your predecessor firm to Wells and then having joined Wells in 2018. So want to unpack a little bit what was behind that decision. Joe, let's ask you, what was going on at UBS at the time that led you to even want to begin explore options outside the firm?

Joe Panfil:

Sure. Ultimately our previous firm had recently withdrawn from broker protocol and they didn't have of an independent channel, which were both very important to us and Wells Fargo Advisors obviously checks both those boxes.

Mindy Diamond:

Right. And again, we'll come back more to the notion of wanting more independence, but I guess it raises the question and, Vince, I'll ask you, when you began exploration, how certain were you that you would end leaving the firm or were you just exploring it first out of curiosity to see if there could be something better?

Vince Finney:

Really the latter, Mindy. When we first started and engaged with you and Louis and began our exploration, we weren't necessarily extremely unhappy with our previous firm, we just didn't quite like the direction as Joe had alluded to. Pulling out a broker protocol, wanting more control over relationships. We wanted to find a firm where we felt that the client was always our client and gave us more control, more entrepreneurial spirit over our business and allowed us to run our business like a business instead of being just an employee of a firm. Really feel like you were in business with the firm you were working with.

Vince Finney:

And so I think that was some of our primary drivers. And I would say the further we got into exploration, as you're aware doing this and guiding advisors across the country every day, the further you get into the exploration process, the more and more you see there are so many different avenues that you can affiliate with a firm, whether it's independent or RIA model, even startups that we hadn't really even seen before. So I think as we got further into the process, it became more evident that the place we were might not have been the best place for our practice and our clients going forward.

Mindy Diamond:

And how time consuming was the due diligence process?

Joe Panfil:

It was very time consuming. It was very extensive. Thanks to you, it was very targeted. So you were very helpful in that sense. But to Vince's point, we explored a wide range of options in order to make sure that we were making the right decision for the business and for our clients. We looked at the entire spectrum, right? From RIAs to independent, to regionals, to wirehouses. And as Vince mentioned, there was a lot of options that weren't even available the previous time that we had searched, which was almost a decade earlier. So obviously we already view ourselves as business owners. So direct ownership was definitely appealing, but at the end of the day with Wells Fargo advisors, we felt like not only were they the best fit for our practice, but, again, they supported our business and our transition in every single way. And they also have an RIA model through Wells Fargo Clearing Services and independent channel through Wells Fargo Finet. So having those options available to us for consideration as our business grows is also very important to us.

Mindy Diamond:

Definitely want to come back to why Wells Fargo. But a couple other questions just backing up a little. So first of all, how long did the whole due diligence process take you? From the time you called us and said, I'm curious, to the time you made a commitment to join Wells, how much time had gone by?

Vince Finney:

It was around 18 months, Mindy. We spent an incredible amount of, like Joe mentioned, detail and timing, because making a move is not something that you want to really have to do unless you deem it as a necessary thing for your clients and for your practice. And so we wanted to make sure if we were doing this, we were finding the right home. We didn't just want to move to move. We wanted to make sure that the firm that we were going to, or if we were going to start out our own firm, that we'd done all the due diligence, we'd kicked the tires, we'd looked at everything. So we did, I can't even remember how many home office visits and conference calls and like Joe had alluded to and met with so many different types of platforms so that we could ultimately find the best place for our clients and for our practice as we can continue to grow.

Mindy Diamond:

I thank you for sharing that about 18 months because generally speaking, and while there is no right amount of time to explore, 18 months is a long time to have your feet in two lands. To be certain that you're going to leave and yet not sure where you're going to leave. So I'm just curious, at what point in that 18 months did you become certain that there was going to be a better option and how did you not allow the due diligence process to interfere with the growth of the business?

Vince Finney:

I think for us it was important. A lot of these visits were on the weekends or leaving on a Friday afternoon or something like that. So we weren't taking time away from our business or time away from our clients. And as we'd alluded to earlier, we view this as our business. So whether we were working at firm A, B, C or X, Y, Z, we knew there was a job that needed to be done. Clients come first. And we spent a lot of time almost was like we were rookies again. We'd spend a lot of time, nine, 10 o'clock after the kids are in bed, Joe and I doing and Ryan doing calls together.

Vince Finney:

The three of us just kind of talking about what did we just review the previous week? Do we feel that's the right direction to go? Do we want to look at another firm? So most of the war was done after hours. So it was in addition to us working our full day jobs, if you will, we kind of took on a new job of exploring opportunities for our clients and our practice. It really didn't interfere with our business and certainly didn't interfere with our growth. We had some of our best years in terms of growth as we were leading up to our transition and since then.

Mindy Diamond:

What you're talking about is making time to work on the business, not just in it. And a lot of advisors, especially these last couple of years, when the markets have been so cooperative, it's intoxicating to work in the business only and to kick the can down the road and ignore things that may be frustrating you or ignore the fact that you're not certain that where you are is the best place to serve clients. So whether or not someone ultimately leaves or no matter what they do, the notion of making time to work on the business, to ask the tough questions and make sure you are in the best place to serve clients is pretty critical.

Vince Finney:

Absolutely.

Joe Panfil:

Agreed.

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Mindy Diamond:

Okay. So let me ask you a question, I know from having a front row seat that when you first came to us, it was really the notion of independence that was most appealing to you yet ultimately you wound up in the W2 channel, Wells Fargo Advisors of Wells Fargo. So what was it that was intriguing about independence and what was it that ultimately swayed you to the position you're in now?

Vince Finney:

I think when we thought about the business and what format we wanted to be in, for us, it was, as we've talked about on this podcast, was wanting us to continue to feel like business owners, feel like we were in more control of our business. And I think ultimately when we looked at the different landscapes that were out there, independence while you're independent and more free and you have more reigns to do different things with your business and offer maybe some more ancillary services, it comes with a lot of responsibility too. Making sure all the lights work and the IT, and all that stuff that you don't necessarily have to deal with in the W2 world or the wirehouse world. So for us we didn't hit on this yet, but we all have extremely young families.

Vince Finney:

We like to spend a lot of time with them. And the last thing we wanted to do was be working late hours running a business. Now, that's very appealing to us down the road as our kids get older and we have more time to deal with those types of things. But I think ultimately when we looked at that, independent, having to come out of pocket in a lot of cases to maybe build a new building, a lot of potential startup costs, and I know there are firms that'll help offset some of those costs, but ultimately when we ran the numbers, the economics, at least the way that our practice is structured seemed to be a little bit better under the W2 model with us being so young and having a long runway ahead of us. So we just kind of looked at everything. It was kind of a culmination of the 18 months that we spent. And at the end of the day, we really just fell most comfortable with that type of platform and felt most comfortable with Wells Fargo Advisors.

Mindy Diamond:

So good segue. Thank you for that. Joe, why Wells Fargo?

Joe Panfil:

Again, to Vince's point, independence is very appealing to a business owner, right? You have ultimately the most control over your own business. What we found with Wells Fargo Advisors was we were able to have that same independence. We were able to brand our business the way that we wanted to brand. We had our own custom branding, our own custom website, our own suite, our own office built for us. We're able to portray our business to our prospects and clients, and it's really resonated well with them. They have the best of both worlds with us. They have this independent feeling, but also the backing of a major firm in Wells Fargo Advisors. And also at the time, a good transition plan was invaluable. And Wells Fargo Advisors had by far the best transition plan, they offered the most support with the transition team, with the strategy for how we were going to transition from our previous firm and get all the clients over in a timely, efficient manner to Wells Fargo Advisors. All the way around, they checked all the boxes for us.

Mindy Diamond:

So with independence being appealing, did you compare and contrast the Wells Fargo Finet independent broker dealer option under Wells Fargo to the W2 channel of Wells Fargo Advisors?

Joe Panfil:

We did, but ultimately we decided that our business was growing so substantially we would rather have as efficient of a transition as possible and use the resources that Wells Fargo was happy to provide us to continue to grow, grow, grow, grow, grow. And again, it just wasn't our time yet. Independence, RIA, we can explore those op options in house, through Wells Fargo when the time is right as we continue to grow and as our business continues to evolve. But again, it was nice to know that we were able to transition to a full service firm and still have those options available to us later.

Mindy Diamond:

And what was your pitch to clients about the move overall? How did they respond?

Joe Panfil:

Positively. It was really just that. It was that we were able to manage our business the best way that we saw fit. Wells Fargo was a great fit in the sense that they provided our practice with exactly what we need. We needed good financial planning software, a way to convey financial planning to the clients and we needed a great trading system in order to implement our portfolios for clients. We also needed a good contact management system that was going to help us stay on top of our quarterly and monthly phone calls that we make to clients. We were able to stay on top of task. We're able to, again, to Vince's point, in order to grow and scale, having a process and being efficient is very, very important. So they provided us with the perfect set of tools for us to run our business. We're able to still maintain our own independence along the way.

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So do you foresee yourself, if you are in fact interested in independence five years from now or 10 years from now, at what point do you see yourself really pursuing full on independence?

Vince Finney:

The way we've always viewed the business is you need to be looking at opportunities all the time. So we have conversations all the time about the business, where it's heading, where the industry's heading. You always need to kind of keep your eyes and your ears open to make sure that you are in the right place and that it's the right place for your business. So I think we're always constantly looking at avenues and just making sure that everything is set up the way that it is.

Vince Finney:

And that's really one of the reasons we chose Wells Fargo Advisors when we looked at other wirehouse options or regional options that were very appealing, but not a lot of them, in fact, none of them really had the multi channel platform where if five years from now we decide we'd rather be in a more independent role or actually go complete RIA through Wells Clearing, we can do that without having to really slow down our business or impact it much at all. So I think when the time is right, we did the due diligence upfront with you and your firm to make sure that we landed at the right spot now, so that if down the road we do need to make an adjustment or make a change, it's not nearly as difficult of a transition.

Mindy Diamond:

Right. And not as much impact on clients either.

Vince Finney:

Correct.

Mindy Diamond:

So let's pivot to the transition process itself. You raise the point that one of the motivations for potentially leaving UBS was the fact that it had pulled out of protocol. But yet the fact that UBS was not a member of protocol made your transition a non protocol move. Because in order to be granted protocol protection, both the receiving and the leaving firm need to be in protocol, which was not the case. So what was it like to make a non protocol move and how onerous was it?

Vince Finney:

No transition's easy as you know. They're all difficult. Whether you have a small practice or a large practice, you're walking away from certainty. You're leaving something that you understand the firm, you understand your compensation structure, your support staff, your clientele. And when you hand in that resignation to walk out the door, it's anything can go. And that was another reason we wanted to partner with a firm like Wells Fargo Advisors is if there were any issues, we knew that they would have our back versus going to an independent model. If something, heaven forbid, were to go wrong, it could be a lot more expensive down the road [crosstalk 00:29:42]. That could be very, very costly.

Vince Finney:

And so that gave us a great deal of comfort with Wells Fargo Advisors being on our side. Because as you know, when an advisor or a team of our size resigns, it's a very good opportunity for someone on the other side to try and convince that client that X, Y, Z firm is the best place for them. So by partnering with Wells Fargo Advisors, it gave us a heck of a lot of comfort that at the end of the day, the transition was going to go smooth. And as Joe mentioned earlier, I believe, the second we got into our new office, there were 10 people plus sitting there waiting for us to help ACAD in accounts, help answer questions. And this isn't just pulling a few staff members from another branch, this is a dedicated team that Wells Fargo Advisors has that travels around the country, helps large teams like us transition our business as quickly and efficiently as possible.

Vince Finney:

And I would say most of the other firms that we talked to, they didn't have a process at all, or a lot of the onus was on us or it was wouldn't have been nearly as cohesive as what we ran into. So in terms of transitioning to business, it's a lot of work, many 15 hour plus days. But I can tell you, that transition team that they had, they were there six, seven o'clock in the morning, they were there 10, 11 o'clock at night. So they were partners with us in getting this business transition and everything just went as good as it could have gone from a transition standpoint.

Mindy Diamond:

And how long do you think it took before you felt like you were back to business as usual?

Vince Finney:

I would say about nine months. The thing with the transition as you know is there's so much work that has to be done and it's not like you can kick the can down the road or just say, we'll work on that another day. It is grueling hard work. It's a lot of paperwork a lot of that's getting automated now, thankfully. But it's a lot of work to transition a business. And those first three months, like I said, we all have young family. So that was hard to not be able to see your kids as much as you would like. But ultimately I feel like after about six months you start to get in a groove again. Nine months, it was, we're back to normal. I can leave the office and feel good about where we are.

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Joe Panfil:

Mindy, we joke about this, nine months in transition time is more like three years in real time. Plus we had the primer of the 18 months leading up to that. So it was a pretty significant commitment.

Mindy Diamond:

And I appreciate the honesty. That's actually a frequently asked question or even a frequently asked concern about, there may be things that would motivate me to move elsewhere, but I'm worried about the time commitment of exploration and then the time commitment of transition. But one other thing that I want to ask you is there are many advisors today making non protocol moves or considering non protocol moves. And they worry about the fact that the non solicit that governs their move, which trump's protocol because there is no protocol protection. I'm wondering how scary it was to not be able to solicit clients. So by my understanding what you are advised in non protocol move is that you can announce to clients, let clients know that you have made the move, but you cannot directly solicit them. So what was that like and how did it feel?

Joe Panfil:

I think it would've been a lot scarier had we not partnered with Wells Fargo Advisors, they had a perfect strategy start to finish and gave us a lot of confidence.

Vince Finney:

They made sure that we were following all the rules as it relates to that type of transition. And it is more difficult. There's no way around it. There's just more regulations as it relates to that. But like Joe had alluded to, we made sure that since it was going to be a different type of move than protocol to protocol, you wanted to make sure you had had someone in place like Wells Fargo Advisors that could support you and your business as you transitioned. And it was maybe longer conversations, but it was still... Got the business moved and everything's great now.

Mindy Diamond:

So that's the question, the business moved. Did all of your clients follow initially?

Vince Finney:

In a transition you're never going to bring 100%, but we're well above that now. And we had a very, very good transition. There was no real hesitation from 99% of our clients. But of course you're always going to have a few that just for whatever reason, maybe their legacy or parents had accounts at X, Y, Z firm and they, they want to stay there. So it's going to be hard to have 100% transition as you know. But we were very pleased and more importantly Wells Fargo Advisors were very pleased with the transition.

And really would not have been able to do it without that transition team. It would've taken a lot longer to get our business over.

Joe Panfil:

So if you are considering a transition, the firm that you partner with, they have to have their process down, start to finish.

Mindy Diamond:

No, I think that's great advice. Thank you. So I want to stick with Wells for just a minute. So most warehouse advisors, or maybe not most, but many warehouse advisors believe that all major firms are created equal in terms of lots of bureaucracy, management to the lowest common denominator, the notion that the firm owns the client and not the advisor, the notion that it's hard to customize, the feeling of vulnerability, compliance rules the firm, et cetera. So I'm wondering what you guys think about that. Do you think that Wells is created equal with Merrill and UBS where you've spent time in your careers and if not, what do you think differentiates them?

Vince Finney:

I think it is a different firm. And, Mindy, what I'll say and there's really maybe two major reasons that we chose Wells Fargo Advisors and the first one would be the culture. And I know sounds maybe cliche or you hear that a lot, but what I can say is in doing the home office visit in St. Louis, Joe, myself, Ryan, we're all Midwest guys. Most of our clients are from the Midwest or at least originated from the Midwest. We have clients all over the country now. But I think the way that we've always approached our business, the way we treat people is more Midwest feel. And that really resonated well with us. We met with firms in Boston, New York, Chicago, all over the place. And I think that with the type of clientele that we have, that culture of the folks that we met in the home office and even at the local level that we deal with every day in the regional level those, those folks have just been fantastic in the way that they treat us, the way that they respect us.

Vince Finney:

If there's ever an issue that arises, we go directly to them. And it's not, that's going to be a problem. It's, let's work on this together. Let's figure this out. Let's find a solution. And that was not always the case in previous world. So I think having that, once again, that person that's a partner with you as opposed to you just being an employee, you feel like you're in business together. We're all trying to drive the needle, we're all trying to drive growth. And sometimes we hadn't really experienced that in the past. And I think that goes back to having that culture is because Wells Fargo Advisors has that multi-channel platform. So really you think about some of these other firms, and not to speak disparagingly of anybody obviously, but if you can change the payout and change support staff rules or things like that, you don't really have an option.

Vince Finney:

You're kind of stuck. So with Wells Fargo Advisors, having those different models if we become upset about something and it's not going in the right direction, then we can easily pivot inside of the firm. So it really does create a different dynamic with you in the firm. It's not the firm coming to you and having control over you. It's kind of the opposite. You have more entrepreneurial spirit. You can affiliate in three different ways. And so if you wanted to go straight RIA, like Joe mentioned earlier, we have that opportunity to drop our Series 7 and just move over and open up our own shingle entirely RIA. If we want to do independent through Finet, we can do that. If we want to stay in the W2 world, we can do that. And I think that is a major differentiating factor between Wells Advisors and a lot of the other firms on the street.

Mindy Diamond:

Well, just out of curiosity, though, the fact that it's all under one roof, you can pivot from an employee at Wells Fargo Advisors to the RIA channel or the independent broker dealer channel. But the fact that now you still owe seven tenths of your forgivable loan back, you would still need to pay that back if you were to slide from one to the other, isn't that correct?

Joe Panfil:

Correct.

Vince Finney:

Yeah.

Mindy Diamond:

Okay.

Vince Finney:

There are definitely advantages and disadvantages to making a move and how you structure things. But I think that's... Part of consulting with someone like yourself and interviewing with all these different firm, you get a good idea of what your obligations are and what your options are as either an employee or an independent contractor.

Mindy Diamond:

And I think your point is that even if you'd know you'd have to pay some money back, but the notion that you could more easily slide from one channel to the other with minimal impact to clients is compelling to you.

Vince Finney:

Absolutely. I think ultimately that's the key. I mean, to have that in your back pocket, to be able to have that flexibility really makes a world difference.

Mindy Diamond:

And it probably makes the firm feel like they've got to earn your business more every day as well.

Joe Panfil:

Accountability. Absolutely.

Mindy Diamond:

So you mentioned earlier that one of the main drivers for moving was wanting more control over how you ran the business. So do you feel now that you have more agency over your business as an employee at Wells than you did as an employee at UBS?

Joe Panfil:

Absolutely. We're able to brand our business the best way that we see fit, the way that it best serves our clientele. We have our own custom logos, our own custom website, our own custom signage, our own suite, our own materials, our own pitchbooks. And we're really able to tailor what we do and what's the most meaningful to the clients that we serve. And that's financial planning, investments and proactive service. And to answer your question that you posed earlier about all firms being alike or similar, to some extent, I think that's a fair statement. There's no perfect firm. The trick is finding the perfect firm for you, for your business, for your practice. And I think we've done that.

Mindy Diamond:

Well, that's wonderful. How about technology? How does the technology at Wells compare to the technology at UBS and at Merrill?

Joe Panfil:

It was a lateral move in our opinion. Technology wasn't our main draw. So as a whole, it was a lateral move. However, with the way that technology's presented to the clients, we feel like it was an upgrade.

The website is very concise, very intuitive. The way that our financial planning results are delivered to clients is excellent. The way that we're able to track tasks through our dashboard system and track contacts and notes and so on and so forth, monitor their investment portfolios through our trading platforms. The way that the technology is presented to clients is excellent. And they've continued to move in that direct and continue to make upgrades, which is promising as well.

Mindy Diamond:

So I want to ask about growth for a second. And, Vince, maybe I'll ask you. So I know that not only did you want more control over your business as a main driver, but you had already experienced a lot of growth and accelerating that growth was super important to you. So I want to ask you a couple of questions. One is you mentioned that one of the most impactful things you did was buying out several older advisors and taking on their practices and that you're looking to do more of that. So how did that go? Is that something you plan to do or have you done at Wells? What does that look like?

Vince Finney:

Absolutely. So we have had the privilege of bringing on three different practices. One was husband and wife team, and the other was two other solo practitioner gentlemen. And each presented its own unique set of challenges and opportunities. Everybody runs their business differently, everybody views their business differently, everybody has different target markets or different clients. So it was interesting to see these three different businesses and the way that they were ran. Now, fortunately, the way that those were set up was very similar to our practice. Most of it was fee-based. Most of it was high net worth individuals. it wasn't a big break from what we were used to doing. So I think about the time that we spent upfront kind of putting together our pitch book, for lack of better words, on how we were going to acquire these businesses, how we were going to transition these businesses, and then ultimately how we were going to keep these clients as clients of our practice.

Vince Finney:

When they saw that, the retiring advisor, it gave them an outstanding level of comfort and built instant credibility, instant trust in their minds. Because as you know, helping people do this every day, some of these advisors have worked with these clients for 20, 30, 40 years and have... People deal with people, right? At the end of the day. So we have a big uphill battle in earning these people's trust, earning these clients' trust, making sure that they're comfortable, not only with us, but with potentially new process on how we're going to do things. And ultimately probably make some changes to the way their accounts are currently structured. But we did it in such a way that it wasn't disparaging of the existing advisor and client felt instantly comfortable. And we kind of approached it as, hey, we're going to be coming in as a fresh set of eyes.

Finding Independence in a Big Firm: Top UBS Team on Their Shift to Wells Fargo Advisors

A conversation with Vincent Finney, Managing Director – Investments and Joseph P. Panfil, Managing Director – Investments Bibler, Finney, Panfil Private Wealth Management Group of Wells Fargo Advisors

Vince Finney:

You've worked with X, Y, Z person for 30 years. And they're obviously retiring. We're coming in as a younger established team that's going to be able to help you and your family see these goals through for the next 20 or 30 years. And so that dealt them a very comforting feeling because most of them in their back of their mind, as we started to have these discussions, I noticed they were getting in their late sixties. I was wondering about their contingency plan. I was becoming concerned about it. So as advisors that are their sixties, if they don't have a contingency plan, we'd love to talk to them because we have arguably one of the best processes in the business that we put in place for ensuring that the retiring advisor can be compensated as well as we can take over their business and it can be a win-win for everybody.

Joe Panfil:

And Mindy, as you know, a lot of financial advisors as they get older, their practice, their book of business tends to be a lot of their own friends and family. And so there's no greater compliment than becoming an advisor to an advisor, right? And I think a couple of things really set us apart. To Vince's point, age, us having a process for everything and also adding financial planning to the lives of every one of their clients. In the past being a financial advisor was more heavily focused on asset management and adding financial plan to the mix was very appealing to the advisors that we brought on.

Mindy Diamond:

And has Wells, or will Wells be instrumental in helping you to identify more of these practices to acquire? In other words, is that going to be a meaningful part of your growth strategy going forward?

Vince Finney:

I do think so. We've had discussions with management about our desire to continue to be in acquisition mode. And I think as we've hit on a couple times, we're kind of in that sweet spot where we still do have 20 plus years careers ahead of us, but also have 20 years experience behind us. We have a team in place with our support staff that's, I think, the best in the business in terms of making sure they're taking care of clients. So we do have capacity to continue to add clientele and continue to grow our business over time. So I think Wells Fargo Advisors knows that and are always looking for opportunities for us to be able to partner with potential people down the road.

Vince Finney:

So I think it is a true win-win and they do have a number of different programs as do a lot of firms where the retiring advisor can receive compensation on their life of work and the acquiring advisor can also receive some compensation. So I think all firms have different programs, but I think when I look at Wells

Fargo Advisors' program, in terms of what they're offering advisors that are getting ready to retire if they partner with a younger team like ours, I think is arguably one of the best programs in the industry right now.

Mindy Diamond:

And generally speaking, that strategy of adding inorganic growth to the mix, the notion of acquiring or becoming the heir apparent to a retiring advisors business is a great one. The issue though, sometimes it ties the next generation to the firm. And one of the message we share with advisors is that while it's a great growth strategy, great way to continue to grow the business, you do need to be sure that you are certain that your firm is the right firm for the life of the agreement, because it is re-upping your commitment as the next gen inheritor to the firm for the life of the agreement.

Joe Panfil:

That's a great point. And getting to know an entire client segment takes time away from the practice that you've built or the growth that you already have in your own pipeline. So you really need to do your homework all the way around and make sure that this is the direction that you want to go, this is the commitment you want to make for the foreseeable future.

Mindy Diamond:

And how about beyond inorganic growth, what is your organic process for growth?

Vince Finney:

We hit on this a little bit earlier and it might seem, once again, maybe trivial or obvious, is looking for money in motion. I can't tell you how impactful that has been to our business. When Ryan and I first started in the business, we decided to go outside of Columbus because Columbus is very saturated with advisors. So we would drive 45 minutes or an hour south, and we would look for opportunities. And we just happened to stumble across this particular paper plant that had gone through three or four transitions, been bought and sold three or four times over the last decade. And so as we started to meet with those folks, we realized, oh my goodness, this person has four, five old 401(k)s and don't even know where they are. So there was an immediate need that money needed to be moved, it needed to be managed.

Vince Finney:

And so we've continued to take that even upstream now that we're continuing to grow and need to move the needle a little bit more. So Joe and I and Ryan spend a lot of time looking for people that are potentially selling their businesses, looking for opportunities of money that needs to be moved and needs to be managed right away versus us going and sitting down and competing against someone that has an accounted X, Y, Z firm. Well, they're probably generally happy if they've been with someone for 20 or 30 years. It's almost like fighting an uphill a battle versus if you go out and you find there is money that needs to be moved immediately, that becomes a much easier conversation. If you can go in and exude some confidence and show your competency, you're probably going to win that business.

Joe Panfil:

Well, that and we believe in relationships as well. The last thing we're going to do is try to convince somebody to move their money for their advisor that they're happy with and upend their lives when there's no need for that. There's plenty of other people out there that need our services and we're happy to focus on them instead. And to give you a little bit of context, most of our clients, I know this might be kind of a wide range, most of them fall in the one to $10 million range. Five to 10 million, though, seems to be a very, very underserved part of the market in our part of the country.

Mindy Diamond:

Okay. So I want to pivot a little to a career in wealth management in general. I'm wondering, there are advisors, old timers in the industry that long believed that staying with a firm cradled to grave, from training program through retire in place was the best way to build a business. Yet today we are watching more movement, particularly amongst top advisors than we've ever seen before. So I'm curious, what are your thoughts or what would you say to somebody that was considering a move? Your thoughts on the notion of spending the whole of one's career at one firm versus the notion, do you think that making a move has gotten you ahead?

Vince Finney:

As I think you hit on there, it is noble to stay at one firm for your entire career, but it's very rare and particularly these days, as you see almost every day a large advisory team moving from one place to another or to independence. There's a lot of movement in the industry right now. As we think about this as a business, as I hope all financial advisors do, you'd be doing yourself and your clients a huge disservice if you never took the opportunity to explore with a group like yours, Mindy, in terms of what's out there. Like we alluded to earlier, there was some pretty cool concepts. Startup companies where you could get equity in that didn't exist. I mean, there was some really neat things that we were shown through your guidance that I think people that are sitting, have been at one firm for 25, 30 years and have never looked around would be shocked to see.

Vince Finney:

Those are quite frankly, the people that are complaining all the time and saying that everything's the same. Merrill's the same as UBS as Wells. They're all the same because they've never really truly explored. They just might read what the on AdvisorHub or X, Y, Z publication and not really kick the tires. And I could see how you could fall into that trap. And so what I think, and Joe and Ryan think is moving has been healthy for our business, it's been great for our growth. It really recharges you. Like Joe had mentioned earlier, we walk in now and it's our own branch, it's brand new, it feels good. Clients and prospects walk in there like, "Wow, this is a really nice office." And so I-

Joe Panfil:

They can sense our excitement.

Vince Finney:

Exactly. You can't put a price tag on that or you can't say, well, I would've been better off had I stayed one place my whole career. I may or may not have been, but I think it's hard to know what would've happened if you don't go out and explore.

Mindy Diamond:

And I share that perspective completely because exploration or getting educated about this much expanded industry landscape, to your point, doesn't necessarily have to be about taking 18 months to take five home office visits and travel all over the country in an exorbitant amount of time. It could be what we call armchair exploration. Because as a fiduciary, I think advisors have a responsibility to make certain that where they are is the very best place to serve clients. If an advisor knows that with 100% certainty, that their current firm or current model is the best way to serve clients, more power to them. But most are not sure. And that's not an advertisement to move, far from it. And the notion is that there's nothing wrong at all with staying with one firm from training program through retirement, as long as you're certain it's the right firm, and as long as it still serves you. What you are saying is you got a place where you wanted to be or do something you couldn't do at UBS or at Merrill and it served you well to make a move. Would you say that's right?

Joe Panfil:

Very well said. If you're at the perfect firm for your clients, then there is no need to move. But how do you know if you don't do your due diligence? And as Vince said, you may be doing your clients a disservice if you don't know your options. At worst, you'll get confirmation that you're at the right firm. At best, you'll find a new home.

Mindy Diamond:

Let me ask you what may sound a little bit like a shameless question. What about the notion of using a recruiter? I mean, certainly top advisors like you are in your market are on the radar of every major firm.

You didn't necessarily need us to introduce you to Wells. Wells Fargo would've welcomed you with open arms whether it came as an introduction from us or not. So in your mind, what was the benefit or downside to working with people like us?

Vince Finney:

That's a really interesting point that you bring up at Mindy because like you alluded to, no offense to you, we would have no problem getting a meeting with any wealth management firm out there. And we get calls virtually every day. And so what prompted us to hire a consultant is we get peppered with calls like you mentioned every day of they say, come join X, Y, Z firm, it's the greatest place out there. Manager wants to have breakfast with you, lunch. And it became way too much to even think about. We wouldn't even have known where to start. And so I remember having a conversation with Ryan and Joe, Mindy and her crew have been not overbearing, but you've always been out and made a call maybe once a year to check in on us. And were never calling us with, hey, here's the deal of the day, or here's what I can get you from a firm. You were always like, we'd love to show you what the landscape looks like or something like that, very eloquently put.

Vince Finney:

So that to us was more appealing than going and seeing who had the best deal on the street or whatever the deal of the day was. We really view this as a business, as we said multiple times. And so if you're going to view it as a business, you need to hire someone's an expert in that space or else you're just swimming out there, just flailing around. You need to have someone that is an expert, that knows what they're doing. And that's what we found in working with you and Louis. You showed us things that we never would've been able to find on our own or get introductions to. So it was invaluable. And I think that really ultimately gave us extreme comfort when we came to our final decision that we had exhausted all resources, we'd looked at everything and we really, truly valued that partner is kind of how we viewed it. You... It was in both of our best interests to find the right firm for us. So can't thank you enough.

Mindy Diamond:

Well, thank you. And believe me, the privilege and honor was all ours. One final parting question, wondering if either of you or both of you have any parting words of wisdom for other advisor listeners.

Vince Finney:

When I think about this business, it truly is one of the greatest professions that you can take. And I wake up every morning, this morning I was excited to get on this podcast with you and thinking about getting in the office today with Ryan and Joe and strategizing. And I think it's truly one of the greatest businesses. Where else can you truly help someone achieve their goals? I think about everyone sets goals for weight loss and extra size and diet and all these different things, but as advisors or watching over someone's wealth and financial plan, you're kind of dictating what they're going to be able to do in the future, to a certain extent. You're kind of guiding them along a path and making sure that they don't take a step off one way or the other. So I think it's a wonderful industry and it's constantly changing and evolving, but I can't think of anything else that I would rather do.

Joe Panfil:

It's a best kept secret. Good financial advisors are needed in every city, every town, all over the country. What other profession can you decide the type of financial advisor you want to be, the type of services you want to provide, the type of clients you want to work with? Do good work for good people and you can't go wrong.

Mindy Diamond:

Thank you both. What a delightful and wonderful episode. I really enjoyed hearing your perspective and I think our listeners will as well. You've built an extraordinary business. It sounds like you are set for much greater success and we can't wait to hear more about it.

Vince Finney:

Thank you so much, Mindy. Pleasure to be with you.

Mindy Diamond:

Pleasure.

Mindy Diamond:

In a world where choice reigns, advisors can find their version of utopia, whether within the big brokerage firms, regionals, boutiques, or by building their own independent firm. But just as Vince and Joe shared, you'd be doing yourself and your clients a huge disservice if you never took the opportunity to explore. At worst, you'll get confirmation that you're at the right firm and at best you'll find a new home. And again, on behalf of Wells Fargo Advisors, it's important to share the following disclaimer, Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC, and Wells Fargo Advisors Financial Network, LLC, members of the SIPC, separate registered broker dealers and non-bank affiliates of Wells Fargo and company, members of the Bibbler Finnie Panfil Private Wealth Management Group at Wells Fargo Advisors referenced or registered with Wells Fargo Clearing Services, LLC. I thank you for listening and I encourage you to visit our website, diamond-consultants.com, and click on the tools and resources link for valuable content. You'll also find a link to subscribe for regular updates to the series.

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Mindy Diamond:

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